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Proposed Liaison Counsel

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

IN RE VERIFONE HOLDINGS, INC. )  
SECURITIES LITIGATION )

Master File No.  
C 07-6140 MHP

**CLASS ACTION**

Document Relates To All Actions: )

**JOINT DECLARATION IN SUPPORT  
OF THE ISRAELI INSTITUTIONAL  
INVESTOR GROUP'S MOTION FOR  
APPOINTMENT AS LEAD PLAINTIFF**

DATE: March 17, 2008  
TIME: 2:00 p.m.  
COURTROOM: 15  
JUDGE: Hon. Marilyn Hall Patel

1  
2 As the duly authorized representatives of the Israeli Institutional Investor Group, Eitan Levi,  
3 Ezra Attar, Golan Sapir, Hanan Fridman, and Sami Bebecov, pursuant to 28 U.S.C. § 1746, declare as  
4 follows:

5 1. We respectfully submit this Declaration in support of the motion of the Israeli  
6 Institutional Investor Group, comprised of The Phoenix Insurance Company Ltd., Prisma Provident  
7 Funds, Ltd., Prisma Mutual Funds, Ltd., Harel Insurance Company, and Harel Pia Mutual Funds, for  
8 appointment as Lead Plaintiff and approval of its selection of Lead and Liaison Counsel. We each have  
9 personal knowledge about the information in this Joint Declaration relating to the respective funds and  
10 companies with which we are associated.

11  
12 2. I, Eitan Levi, am the Chief Investment Officer for The Phoenix Insurance Company Ltd.  
13 ("Phoenix"). I am duly authorized to execute this Declaration on behalf of Phoenix, which is one of  
14 Israel's leading insurance companies that provides non-life, health and nursing insurance as well as a  
15 Long-Term Savings program focused on products that integrate between life insurance, pension and  
16 provident funds. The Phoenix invests in publicly traded securities through various funds owned by  
17 Phoenix, such as pension funds, provident funds, and mutual funds.

18 3. Phoenix made all of the investments in VeriFone securities for the funds listed on  
19 Schedule A to this Supplemental Certification (attached hereto as Exhibit A). Phoenix has full and  
20 complete discretion to purchase and sell securities for each of the funds and to institute legal action on  
21 their behalf to recover losses as a result of Phoenix's investments for them, including serving as lead  
22 plaintiff in this action.

23  
24 4. I, Ezra Attar, am the Chief Executive Officer for Prisma Provident Funds, Ltd. ("Prisma  
25 Provident"). I am duly authorized to execute this Declaration on behalf of Prisma Provident, which is  
26 the largest provident fund management company in Israel. Prisma Provident is owned by Prisma  
27 Investment House, Ltd., Israel's largest private investment house, and shares in-house legal counsel with  
28 Prisma Mutual Funds. The company manages provident funds, training funds, compensation funds, and

1 funds for sickness remuneration. Prisma Provident invests in publicly traded securities through various  
2 funds owned by Prisma Provident, such as pension funds and provident funds.

3  
4 5. Prisma Provident made all of the investments in VeriFone securities for the funds listed  
5 on Schedule A to this Supplemental Certification (attached hereto as Exhibit B). Prisma Provident has  
6 full and complete discretion to purchase and sell securities for each of the funds and to institute legal  
7 action on their behalf to recover losses as a result of Prisma Provident's investments for them, including  
8 serving as lead plaintiff in this action.

9 6. I, Golan Sapir, am the Chief Executive Officer for Prisma Mutual Funds, Ltd. ("Prisma  
10 Mutual Funds"). I am duly authorized to execute this Declaration on behalf of Prisma Mutual Funds,  
11 which was established on the base of the assets of the P.K.N. and Lahak funds, which were acquired  
12 from Bank Hapoalim, and Solomon Capital Markets' funds. Prisma Mutual is owned by Prisma  
13 Investment House, Ltd., Israel's largest private investment house, and shares in-house legal counsel with  
14 Prisma Provident Funds.

15  
16 7. Prisma Mutual Funds made all of the investments in VeriFone securities for the funds  
17 listed on Schedule A to this Supplemental Certification (attached hereto as Exhibit C). Prisma Mutual  
18 Funds has full and complete discretion to purchase and sell securities for each of the funds and to  
19 institute legal action on their behalf to recover losses as a result of Prisma Mutual Funds' investments  
20 for them, including serving as lead plaintiff in this action.

21 8. I, Hanan Fridman, am the Legal Counsel for Harel Insurance Company ("Harel  
22 Insurance"). I am duly authorized to execute this Declaration on behalf of Harel Insurance. Harel  
23 provides comprehensive financial solutions including life, general, and health insurance, as well as  
24 provident, pension and other financial services. Also towards the end of 2006, Harel Insurance  
25 completed its purchase of Leumi-Pia from Bank Leumi, which was then renamed Harel-Pia.

26  
27 9. Harel Insurance made all of the investments in VeriFone securities for the funds listed on  
28 Schedule A to this Supplemental Certification (attached hereto as Exhibit D). Harel Insurance has full

1 and complete discretion to purchase and sell securities for each of the funds and to institute legal action  
2 on their behalf to recover losses as a result of Harel Insurance's investments for them, including serving  
3 as lead plaintiff in this action.

4  
5 10. I, Sami Bebecov, am the General Manager for Harel Pia Mutual Funds ("Harel Pia"). I  
6 am duly authorized to execute this Declaration on behalf of Harel Pia, which is one of Israel's oldest  
7 Mutual Funds investment companies, established in 1940 and now owned by Harel Insurance.

8 11. Harel Pia made all of the investments in VeriFone securities for the funds listed on  
9 Schedule A to this Supplemental Certification (attached hereto as Exhibit E). Harel Pia has full and  
10 complete discretion to purchase and sell securities for each of the funds and to institute legal action on  
11 their behalf to recover losses as a result of Harel Insurance's investments for them, including serving as  
12 lead plaintiff in this action.

13 12. We believe that the Court should appoint the Israeli Institutional Investor Group as Lead  
14 Plaintiff because its members are sophisticated institutional investors with a significant interest in the  
15 outcome of the case and have the capability and experience to oversee this litigation to a successful  
16 conclusion. The Israeli Institutional Investor Group has ample resources and is committed to working  
17 closely with class counsel to obtain the best possible recovery for the Class. We are capable of actively  
18 participating in this action through our chosen Lead Counsel and are committed to doing so.

19 13. We as members of this Israeli Institutional Investor Group, have agreed to follow the  
20 terms which are now reflected in this Joint Declaration. This communication was facilitated by our pre-  
21 existing professional and personal relationships.

22 14. We understand that one of the primary responsibilities of the Lead Plaintiff in overseeing  
23 the work of lead counsel is to ensure that the litigation is handled efficiently, and that the resulting fees  
24 and expenses are fair and reasonable, relative to the size, complexity and risk of the litigation.

25 15. We understand that each of us could have chosen to pursue individual actions, make a  
26 motion for appointment as Lead Plaintiff individually or could have taken no action and remained an  
27  
28

absent class member. However, based on our respective financial losses, collective resources and desire to actively oversee this litigation, we affirmatively decided that it would be a benefit to ourselves and the Class we seek to represent if we, together, as five sophisticated investors, sought appointment as Lead Plaintiff as part of a small, cohesive group.

16. Together, we represent a diverse cross-section of institutional investors who are interested in and committed to the successful prosecution of this action, in light of our losses and the egregious actions of the defendants as alleged in the complaints filed in the related actions.

17. Our decision to work together furthers the purpose of the enactment of the PSLRA – to encourage institutional investors to serve as lead plaintiff.

18. Each member of the Israeli Institutional Investor Group is committed to the zealous prosecution of this case and will remain actively involved in it. Each member is experienced in working with and overseeing legal counsel. Each member possesses in-house legal counsel, all of whom have been actively overseeing all aspects of this matter, and have been working closely with their proposed Lead Counsel in that regard.

19. We each have knowledge of the requirements and responsibilities of a lead plaintiff in a securities class action. The Israeli Institutional Investor Group has, through their authorized representatives, agreed to exercise joint decision making and work together if appointed in this Action to fairly and adequately protect the interest of the Class. Issues that cannot be resolved unanimously shall be resolved by a majority vote, with each member of the Israeli Institutional Investor Group entitled to one vote. If appointed as Lead Plaintiff, we intend to continue to communicate regularly with counsel as we have done thus far and with each other in order to discuss and monitor the litigation as it progresses. Procedures for joint communication among the group and with our selected Lead Counsel are in place, as are reporting requirements requested by us of our selected Lead Counsel. We selected Lead Counsel in this Action based upon their substantial experience and resources.

1           20.     We want to assure the Court that neither distance nor time zones will affect our ability to  
2 work with proposed lead counsel to adequately represent the class. We realize that, as lead plaintiff, it  
3 may be necessary to travel to the United States. Otherwise we are prepared to use other communication  
4 devices such as telephone, email and video conference to carry out the responsibilities of lead plaintiff.  
5 In addition the Israeli Institutional Investor Group has officers and staff who are fluent in English such  
6 that we can communicate effectively.

7  
8           21.     As Lead Plaintiff, we shall be responsible for directing the activities of our selected  
9 counsel for the duration of the litigation, which counsel shall, inter alia:

10           a.     determine and present the position of the Lead Plaintiffs on all matters that may  
11 arise during litigation of the Action;

12           b.     coordinate the initiation and conduct discovery on behalf of Plaintiffs consistent  
13 with the requirements of Fed. R. Civ. P. 26, including the preparation of joint interrogatories and  
14 requests for production of documents and the examination of witnesses in depositions;

15           c.     conduct settlement negotiations under our direction on behalf of plaintiffs;

16           d.     negotiate and enter into those stipulations with opposing counsel necessary for the  
17 conduct of the litigation;  
18

19           e.     retain expert consultants and witnesses;

20           f.     prepare and distribute periodic status reports to the Lead Plaintiffs;

21           g.     maintain adequate time and disbursement records covering services as Lead  
22 Counsel; and  
23

24           h.     perform such other duties as may be incidental to proper coordination of the  
25 litigation or authorized by further order of the Court.  
26  
27  
28

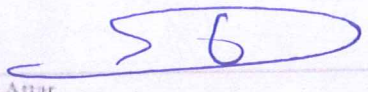


1 We declare under penalty of perjury under the laws of the United States of America that the  
2 foregoing is true and correct.

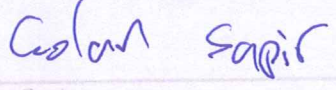
3 January \_\_, 2008

Eitan Levi  
The Phoenix Insurance Company Ltd.

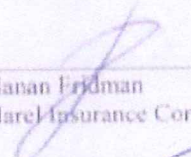
6 January \_\_, 2008

  
Ezra Attar  
Prisma Provident Funds, Ltd.

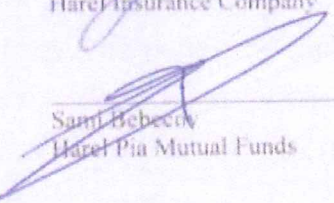
9 January \_\_, 2008

  
Golan Sapir  
Prisma Mutual Funds, Ltd.

12 January \_\_, 2008

  
Hanan Fridman  
Harel Insurance Company

15 January \_\_, 2008

  
Sami Hebechi  
Harel Pia Mutual Funds

